

(3) the identification of demographics and other relevant information associated with neonatal abstinence syndrome.

#### SEC. 4. PAIN MANAGEMENT ALTERNATIVES.

It is the sense of Congress that the Director of the National Institutes of Health should continue research with respect to pain management, including for women of childbearing age.

#### SEC. 5. GAO STUDY.

Not later than 1 year after the date of enactment of this Act, the Comptroller General of the United States shall conduct a study evaluating—

(1) the availability and effectiveness of federally-facilitated substance abuse treatment programs for pregnant women and their children;

(2) the availability and effectiveness of Federal programs that encourage State adoption and implementation of programs to ensure—

(A) the safety and health of mothers who have a substance use disorder; and

(B) the safety and health of children with neonatal abstinence syndrome;

(3) the effectiveness of Federal data systems and surveillance programs used to monitor or track drug utilization and resulting trends, including whether information on neonatal abstinence syndrome is incorporated into such data systems; and

(4) the identification of the use of all discretionary funds to address maternal substance abuse, including the misuse and abuse of prescription drugs.

By Mr. LEAHY (for himself and Mr. GRAHAM):

S. 2726. A bill to clarify the definition of nonadmitted insurer under the Nonadmitted and Reinsurance Reform Act of 2010, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

Mr. LEAHY. Mr. President, today, I introduce the Captive Insurers Clarification Act. This simple, common-sense legislation will clarify terms included in the Dodd-Frank Wall Street Reform and Consumer Protection Act that stand to threaten the viability of the captive insurance industry in Vermont, South Carolina, and across the country. I am glad to have Senator Graham's support in this effort.

Vermont is one of the leading on-shore captive insurance domiciles in the country, with over 1000 licensed captive insurance companies. I have heard from the captive industry in Vermont, understandably concerned that language included in the Dodd-Frank Act may result in the double taxation of captives that operate in states where their headquarters are not domiciled. The Nonadmitted and Reinsurance Reform Act, NRRA, as included in Dodd-Frank, intended to facilitate the proper collection and allocation of self-procurement taxes. Captives are taxed and regulated in the state in which they are domiciled, not necessarily where their corporate headquarters are located. However, due to the ambiguity of the NRRA, captive insurers are concerned that both the state in which a captive is headquartered, and the state in which the captive is domiciled, may claim the premium tax.

The Captive Insurers Clarification Act would simply clarify that such

companies were never intended to be included under the Nonadmitted and Reinsurance Reform Act. Applying the NRRA to captives would eliminate the specialized regulation of the captive industry that states like Vermont have worked to cultivate.

This is commonsense legislation to clarify the intention of Congress in passing the Nonadmitted and Reinsurance Reform Act, and I hope Members of Congress will support its enactment.

By Mr. HATCH (for himself and Mr. WYDEN):

S. 2736. A bill to amend the Internal Revenue Code of 1986 to prevent identity theft related tax refund fraud, and for other purposes; to the Committee on Finance.

Mr. HATCH. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 2736

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE; ETC.

(a) SHORT TITLE.—This Act may be cited as the “Tax Refund Theft Prevention Act of 2014”.

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

(c) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; etc.

Sec. 2. Safe harbor for de minimis errors on information returns and payee statements.

Sec. 3. Internet platform for Form 1099 filings.

Sec. 4. Requirement that electronically prepared paper returns include scannable code.

Sec. 5. Single point of contact for identity theft victims.

Sec. 6. Criminal penalty for misappropriating taxpayer identity in connection with tax fraud.

Sec. 7. Extend Internal Revenue Service authority to require truncated social security numbers on Form W-2.

Sec. 8. Improvement in access to information in the National Directory of New Hires for tax administration purposes.

Sec. 9. Password system for prevention of identity theft tax fraud.

Sec. 10. Increased penalty for improper disclosure or use of information by preparers of returns.

Sec. 11. Increase electronic filing of returns.

Sec. 12. Increased real-time filing.

Sec. 13. Limitation on multiple individual income tax refunds to the same account.

Sec. 14. Identity verification required under due diligence rules.

Sec. 15. Report on refund fraud.

#### SEC. 2. SAFE HARBOR FOR DE MINIMIS ERRORS ON INFORMATION RETURNS AND PAYEE STATEMENTS.

(a) IN GENERAL.—Subsection (c) of section 6721 is amended—

(1) by striking “EXCEPTION FOR DE MINIMIS FAILURE TO INCLUDE ALL REQUIRED INFORMATION” in the heading and inserting “EXCEPTIONS FOR CERTAIN DE MINIMIS FAILURES”,

(2) by striking “IN GENERAL” in the heading of paragraph (1) and inserting “EXCEPTION FOR DE MINIMIS FAILURE TO INCLUDE ALL REQUIRED INFORMATION”, and

(3) by adding at the end the following new paragraph:

“(3) SAFE HARBOR FOR CERTAIN DE MINIMIS ERRORS.—

“(A) IN GENERAL.—If, with respect to an information return filed with the Secretary—

“(i) there are 1 or more failures described in subsection (a)(2)(B) relating to an incorrect dollar amount, and

“(ii) no single amount in error differs from the correct amount by more than \$25,

then no correction shall be required and, for purposes of this section, such return shall be treated as having been filed with all of the correct required information.

“(B) EXCEPTION.—Subparagraph (A) shall not apply to returns required under section 6049.

“(C) REGULATORY AUTHORITY.—The Secretary may issue regulations to prevent the abuse of the safe harbor under this paragraph, including regulations providing that this subparagraph shall not apply to the extent necessary to prevent any such abuse.”.

(b) FAILURE TO FURNISH CORRECT PAYEE STATEMENTS.—Subsection (c) of section 6722 is amended by adding at the end the following new paragraph:

“(3) SAFE HARBOR FOR CERTAIN DE MINIMIS ERRORS.—

“(A) IN GENERAL.—If, with respect to any payee statement—

“(i) there are 1 or more failures described in subsection (a)(2)(B) relating to an incorrect dollar amount, and

“(ii) no single amount in error differs from the correct amount by more than \$25,

then no correction shall be required and, for purposes of this section, such statement shall be treated as having been filed with all of the correct required information.

“(B) EXCEPTION.—Subparagraph (A) shall not apply to payee statements required under section 6049.

“(C) REGULATORY AUTHORITY.—The Secretary may issue regulations to prevent the abuse of the safe harbor under this paragraph, including regulations providing that this subparagraph shall not apply to the extent necessary to prevent any such abuse.”.

(c) CONFORMING AMENDMENTS.—

(1) Subsection (i) of section 408 is amended by striking “\$10” and inserting “\$25”.

(2) Paragraph (5) of section 3406(b) is amended—

(A) by striking “\$10” both places it appears and inserting “\$25”, and

(B) by adding at the end the following flush text:

“The preceding sentence shall not apply to payments of interest to which section 6049 applies.”.

(3) Subparagraphs (A) and (B) of section 6042(a)(1) are each amended by striking “\$10” and inserting “\$25”.

(4) Paragraph (2) of section 6042(a) is amended by striking “\$10” and inserting “\$25”.

(5) Paragraphs (1) and (2) of section 6044(a) are each amended by striking “\$10” and inserting “\$25”.

(6) Paragraph (1) of section 6047(d) is amended by striking “\$10” and inserting “\$25”.

(7) Subsection (a) of section 6050B is amended by striking “\$10” and inserting “\$25”.

(8) Subsection (a) of section 6050E is amended by striking “\$10” and inserting “\$25”.